

# WHITE HOUSE CONFERENCE ON AGING

## POST EVENT SUMMARY REPORT

**Name of Event:** Senior Forum on Elder Financial Exploitation

**Date of Event:** August 1, 2005

**Location of Event:**

Santa Clara Convention Center  
5001 Great America Parkway  
San Jose, California

**Number of Persons attending event:** 850 **Focus Group:** 15

**Sponsoring Organization:** Santa Clara County, Social Services Agency, Department of Aging and Adult Services

**Priority Issue #1:**

The United States along with the rest of the world is experiencing dramatic growth of its senior population. While the number of violent crimes in the U.S is decreasing, financial crimes against the elderly are increasing due to the aging of the population and greater concentration of wealth among older people. According to Wasik (2000), elder financial abuse is quickly becoming the crime of the 21<sup>st</sup> century as demonstrated by research of his own as well as statistics from the National Center on Elder Abuse (1998): It is estimated only 1 in 14 incidences of abuse is reported, and with financial abuse it is estimated to be 1 in 100; Elders are likely to hide abuse because of shame, humiliation and fear of retaliation or placement in a nursing home; 60-90% of the perpetrators of financial abuse are family members or in-home care givers; Since persons over 50 control at least 70% of the nation's (U.S.) household net worth, they are frequent targets for exploiters; Victims are typically female, frail and mentally impaired. Seventy five percent are between the ages of 70 and 89.

Financial Abuse is becoming one of the fastest growing crimes in America and the world. Fueled by the growing population of elderly and aging baby boomers, this crime is going to continue to grow and is in need of innovative programs to halt the threat of elder financial abuse.

**Barriers: What are the primary barriers to reporting financial abuse?**

The barriers identified by our focus group were both comprehensive and insightful. The following are the barriers cited by our focus group during the course of the discussion: Lack of concern or inability to recognize the problem by seniors; Seniors don't want people to know what is happening in their lives so they don't speak out or ask for help; Feeling stupid/embarrassed; Fear of not being taken seriously; Pride; Seniors are unwilling to make waves; It will be OK – rationalization; Not realizing its happening; Denial; Fear of physical harm; Fear of being arrested/going to jail or family going to jail; Wanting to protect family member; Don't want children to be considered criminals; Never thinking your children would do this; Family shortening your life by ending medical care early for financial gain; Lack of knowledge among seniors regarding scams etc.; Misrepresentation of services from "professionals"; Some seniors

do not make sure financial matters are in order; Don't know how to report; Uncomfortable reaching out to law enforcement; Lack of senior advocates available; Lack of Control over what is happening; Seniors are more vulnerable because of wealth and inherent frailties of getting older.

The common themes around barriers to reporting center around issues of protecting the family, rationalization by the senior that it is not happening, shame, discomfort with law enforcement and the legal system and not knowing how to report.

The responses to the question regarding the barriers to reporting financial abuse in our focus group seemed to mirror the research done in the past. The following is an overview of what past research has identified as barriers:

Recent statistics on reporting vary, with some researchers suggesting that for every one case of elder abuse that gets reported, five go unreported (National Center on Elder Abuse, 1998). Other less conservative estimates suggest that only one in ten (Coker & Little, 1997) or one in fourteen (Lachs, Berkman, & Fulmer, 1994; Matlaw & Spence, 1994) incidences of elder abuse are reported. Throughout the country, the number of reports to Adult Protective Service Agencies of elder abuse increased 150 percent between 1986 and 1996 (Administration on Aging, 1996).

What makes the elder abuse situation particularly complex is its hidden nature, especially since elders frequently live in isolation from the outside world. Detection of abuse by outsiders is consequently more difficult and incidents tend to be under-reported.

The exact number of cases of elder abuse involving financial exploitation cannot be accurately calculated because cases are often not recognized or reported. In fact, there is no reliable estimate to date of how many elderly are being financially abused. This may be due to a built-in bias whereby bodily assault may be seen as more threatening and easily recognized than the loss of assets. Other reasons include victim embarrassment from being exploited, simply being unaware that the abuse is taking place, or fear of reprisal in having care withdrawn. In addition, there is no national reporting center or database to compile and analyze cases, so it is impossible to estimate the number of cases even when they are reported (Coker & Little, 1997). Also, most police officers and prosecutors are not trained to spot financial abuse when it is reported, and when they do, they often refuse to investigate, claiming it's "a civil matter" (Wasik, 2000).

### **Proposed Solution: What do you think can be done to alleviate this problem?**

The focus group was equally as insightful in identifying possible solutions, often times suggesting new and innovative ideas. The following are solutions to alleviate the financial abuse problem by our fifteen member focus group: More forums; Better education; Family members and seniors need more education; Written material; Financial Institution staff trained to recognize and help seniors when transaction seems suspicious (e.g. large cash withdrawals); Any withdrawal from financial accounts should require signature; Train public employees to better respond when a crime is committed; Train public services employees, then the public at large; merchants who use credit cards or debit cards must "bill" consumer before taking funds via email; Banks need to be aware of this problem when handling property issues/mortgages; Education provided at Senior centers; Senior alert of scams (e.g. amber alert); Criminal background checks (e.g. sex offender data base/registry); District Attorney's should make it a priority issue; Stronger legislation and more legislation/enforcement

In summary, the common solutions proposed by the focus group center around education and training for the public, law enforcement, financial institutions and public employees. Further, the

group felt strongly that there should be movement towards establishing a “senior alert” of scams (e.g. amber alert) and a data base/registry as well as a movement to advocate for stronger legislation and enforcement.

The responses to the question regarding proposed solutions to alleviate financial abuse and to increase reporting were similar again to recent research. The following is an excerpt of what one state and the FBI are suggesting in terms of solution:

States such as California are updating current laws to reflect issues in elder financial abuse. Some strategies suggested by the FBI in combating financial abuse include (Coker & Little, 1997):

- Training local law enforcement in recognizing and apprehending elder abusers
- Forming investigative coalitions and sharing information among social services, law enforcement and financial institutions
- Expanding existing mandated reporting laws
- Educating the elderly to recognize financial victimization
- Mandating mental health counseling for offenders

Needless to say, the focus group seemed to be right on target with past research in their proposed solutions. Based on the research of the literature as well as focus group feedback we are proposing the following solutions:

- Train local law enforcement in recognizing and apprehending elder abusers
- Form multi disciplinary investigative teams and share information among social services, law enforcement and financial institutions
- Expand existing mandated reporting laws
- Embark on an extensive training and educational program as well as public service announcements to alleviate shame among elders and bring attention to the problem
- Educate the elderly to recognize financial victimization
- Expand mandated reporters
- Establish a registry and/or “senior alert” of scams
- Establish a data base of all elder abuse perpetrators
- Advocate for stronger legislation and enforcement

## REFERENCES

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